Executive

17 APR 1950

(DCI Letter + Consul Survices Administration)

The Henorable Jess Larson Administrator General Services Administration Washington 25, D. G.

Dear Mr. Larson;

Reference is made to General Services Administration Circular No. 1 dated 24 warch 1950 concerning the subject of "report on contract placement — small pusiness — negotiation." As previously indicated in my letter of 22 December 1969, while Section 502 (d) 17 of Public Lew 152, Slat Congress, exampts the Central Intelligence Agency generally from the provisions of that law, it is our desire to follow to the fullest extent possible within essential limitations the provisions of implementing regulations issued by the General Services Administration.

However, in sommetion with this particular subject I wish to call attention to Section 102 (d) (3) of Public Law 253, 80th Congress, which established the Central Intelligence Agency and requires among other things "that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorised disclosure". In addition, Paulie Law 110, 81st Corgress, commonly known as the Central Intelligence Agency Act, places further responsibilities on the Director necessitating the restriction of information pertaining to the Agency's functions and activities.

In view of the requirements to restrict the disclosure of information that would jeopardise the national security, I feel that it is necessary to consider this Agency exempted from the submission of the desired reports. This conclusion has been reached only after full consideration of all aspects of the problem.

Sincerely,

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R. H. HILLERKOETTER

X Rear Admirel, USH

Prychi Director of Central Intelligence

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KEW/vlb CONCURRENCES:

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